

INTERNATIONAL

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PARIS, TUESDAY, MAY 17, 1977

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1—PARIS: Tuesday, variable
cns. Temp. 18-24 (64-75). Wed.
MIDWINTER: Tuesday, scattered
7 (50-55). Wednesday, possible
Moderate. SOME: Tuesday,
10 (62-68). NEW YORK: Tues-
day, 17 (66-73).

WEATHER—COMICS PAGE

AUSTRIA	15 S.	ECUADOR	84.00
Belgium	25.00	Finland	25.00
Denmark	25.00	France	25.00
Germany	25.00	Greece	25.00
Great Britain	25.00	India	25.00
Ireland	25.00	Italy	25.00
Japan	25.00	Kenya	25.00
South Korea	25.00	Libya	25.00
Luxembourg	25.00	Madagascar	25.00
Netherlands	25.00	Mali	25.00
Nigeria	25.00	Portugal	25.00
Romania	25.00	Senegal	25.00
Spain	25.00	Sweden	25.00
Switzerland	25.00	Tanzania	25.00
Turkey	25.00	U.S. Military (Eur.)	25.00
Yugoslavia	25.00		



Y—Demonstrators lock arms during a march in San Sebastian, Spain, to demand amnesty for prisoners.

As Violence Continues to Flare

100 on General Strike in the Basque Region

By 16 (UPI).—A protesting alleged against street analyzed most of on today, killing a 10 workers and 10 civilians.

The Basque region was a reaction to the way in which police have enforced a government ban on a Basque campaign for the release of Spain's last remaining political prisoners. 27 of whom are Basques accused or convicted of terrorism.

5 Civilians Dead

Between Thursday and yesterday, five civilians died and scores were injured as police cracked down on pro-amnesty street demonstrations. The government said that 24 of the 57 seriously wounded were policemen.

The protest spread to some non-Basque regions. In Madrid, tens of thousands of industrial workers staged stoppages to back the Basques. In Barcelona, groups of leftist youths roamed the streets in a protest marked by vandalism.

But in Madrid, the national leaders of the Communist Workers Commissions labor union issued a new appeal to workers to calm down and not participate in a nationwide general strike. They said that an escalation of

Says It Killed U.K. Officer as a Spy

By 16 (UPI).—The ang of the Irish say today that they executed a Brit- cer who allegedly an anti-terrorist

ment said that Nairac, 29, of the rds had been cap- tured following in Provisional wing e officers.

disappeared late a parking lot at rk Hill in County lies north of the e Irish Republic. y, armed and wear- ifice.

"The army officer captured on Saturday night has been executed," a terse statement issued by the Provisional wing of south Armagh said. "He had been in- terrogated by Provisional IRA in- telligence officers and had ad- mitted he was an officer in the SAS (Special Air Services)."

Clandestine Operations

The British Army denied that Capt. Nairac was working for the SAS, which specializes in clandestine anti-terrorist operations in Northern Ireland, especially where the province borders on the Irish Republic.

An army statement issued ear- lier today said that Capt. Nairac was a liaison officer between local police and the army. Secu-

Israel Candidates Debate U.S. Ties; Voting Today

JERUSALEM, May 16 (UPI).—The major opponents in the race for prime minister climaxed their election campaign today with a heated parliamentary debate on Israel's relations with the United States.

The opposition rightist Likud bloc charged that Israel was on the threshold of a "fateful argu- ment" with the United States over the possibility that a peace agree- ment with the Arabs would be im- posed on Israel.

Acting Prime Minister Shimon Peres, the ruling Labor party's candidate for prime minister in tomorrow's election, replied that Israel has "no reason to be sorry about the good offices of the United States."

Neither Labor nor the Likud is expected to gain a majority and whoever wins will get a mandate to form a coalition government. No party has emerged from Israel's eight previous elections with a majority.

3,800 Polling Stations

A total of 3,800 polling stations have been set up and will be open from 7 a.m. to 11 p.m. Voters will pick their candidates for the 120-member Knesset (parliament) from 22 competing party lists.

The Likud, headed by Menahem Begin, called the special ses- sion of the Knesset to question Mr. Peres about having welcom- ed U.S. Secretary of State Cyrus Vance's statements that Wash- ington would offer suggestions for a Middle East peace.

It was the first time that the Knesset has met on the eve of an election.

Mozambique Leader Hardens Stance

Zambia Puts Forces on Alert In Reply to Rhodesian Threat



President Kenneth Kaunda of Zambia.

By Robin Wright

JOHANNESBURG, May 16 (UPI).—In two dramatic develop- ments in southern Africa today, President Kenneth Kaunda of Zambia announced that he had put his army on full alert for a "state of war" with neighboring Rhodesia, while President Samora Machel of Mozambique indicated he opposed any peace initiatives to settle the disputes in Rhodesia and South-West Africa.

The announcements by two key African states were seen as serious blows, although not total set- backs, to the latest Western-backed plans to peacefully es- tablish black majority rule in the two white-ruled southern Afri- can territories, both under guer- rilla assault.

The moves also come just four days before the meeting in Vienna between Vice-President Mondale and Prime Minister John Vorster of South Africa, a crucial meet- ing designed to gain final South African support for the peace efforts.

Mr. Kaunda made his an- nouncement at a press conference in Lusaka this morning, declar- ing, "I wish to tell all Zambians today that we are in a state of war with Rhodesia. We will fight and I have already directed all my boys to shoot any Rhodesian planes on sight using Zambian air space."

The Zambian leader also said he had appealed to "friendly na- tions" for support and arms, and made official requests to the United States and Britain to help block the operations of oil com- panies supplying Rhodesia.

Zambian Commitment

Zambia has long provided bases for Rhodesian guerrillas from the Zimbabwe African People's Union (ZAPU), one of two libera- tion movements involved in the four-year-old war. But this is the first time Zambia has committed

Rhodesian officials said this afternoon that "no threat should have been implied," and that the message was only aimed at "creating a situation that might jeopardize current negotiations."

However, at the same time, a government spokesman announ- ced that Rhodesian troops have crossed into neighboring Bots- wana three times this year on either pre-emptive or retaliatory raids. ZAPU guerrillas are also based in Botswana.

A military official also con- firmed that about 50 Rhodesian soldiers briefly confronted a Botswana police patrol today at an unspecified location inside the Botswana-Rhodesia border. He charged that the Botswana police were "shielding" guerrillas who recently raided western Rhodesia.

Mr. Kaunda did leave the door open for use of the Zambian capital as a conference center for the British-U.S. negotiating team involved in the effort to settle Rhodesia's 11-year-old con- stitutional crisis, but he added that negotiations would have to be conducted "within the frame- work of a war situation."

In Maputo, the Mozambique leader used even stronger language in referring to peace efforts. At the opening of a special United Nations conference on southern Africa, Mr. Machel told almost 500 delegates: "We believe it is a mistake to speak of peaceful solutions when there is war."

The Mozambique leader added that he opposed any guarantees of rights for minority whites, which he said would "preserve colonialism."

In his keynote address, Mr. Machel also called for:

- An end to all foreign invest- ment, arms supplies and support for the white minority govern- ments in southern Africa.
- Measures to "isolate South Africa and Rhodesia."
- New aid and support for the

(Continued on Page 2, Col. 4)

Food Supply Is Held to Be Adequate

By 16 (UPI).—The time in five years, meeting its primary 1 without fear that y generate a food broad section of

Judgment of food agricultural experts as after famine in e led to the World e in Rome. They ments in light of increase in global ever experienced e buildup in other ections indicat- arence this year. e included specialists all the major grow- ing regions. eveloping countries, e most in the crisis e don't have any bas- epts some scattered e said Wade Gregory, e staff of specialists e nations in poorer

Considered

ed States, the build- e led Secretary of eob Bergland to say y soon impose, for e threat, the first pre- e since 1973. He said ects of international on management of e surplus and prices eched by the United eeting in London e the International e.

see anything in the e could cause a big in- e demand for wheat," e id, citing the increase

Saudi Funds Sought For Jordan Projects

AMMAN, May 16 (AP).—Jordan is asking Saudi Arabia for loans and financial aid worth \$261 million to finance develop- ment projects, it was announced today.

Jordanian Transport Minister Ali Shihab left for Riyadh yester- day to negotiate for the money with the Saudi Arabian Development Fund, the announce- ment said.



ELECTION VIGIL—Israeli soldiers stand guard in Jeru- salem against possible attacks to disrupt today's vote.

President Carter and Mr. Vance tried to ease Israeli nervousness about reports of an imposed Middle East peace by Washington in statements reaffirming U.S. polit- ical and military support.

Mr. Peres referred to those statements in his response: "Our relationship with the United States must be based on joint interests, on joint evaluations and on the power of persuasion over righteousness." Mr. Peres was a negotiator at previous talks be- tween Israel and Washington that led to interim peace pacts with Egypt and Syria.

"Not in a Hurry"

"When we are convinced that we are correct, we are also able to say 'no' to the United States, and the American administra- tion listens to us," he said. "We are not in a hurry to say 'no' to everything, but only when there is a real need for it."

Carter's and Vance's state- ments demonstrate that they have no intention of deviating from their role as impartial negotiators in the Arab-Israeli conflict.

Bombing in Jaffa

TEL AVIV, May 16 (AP).—A bomb ripped through an apart- ment building in Jaffa near here late tonight, seriously injuring a woman and causing lesser in- juries to another, police reported.

Investigators said that the bomb appeared to have been planted in an underworld gang war and was not the work of Arab terrorists.

The Radical Young Are Challenging Eurocommunism in Italy

By Jim Hoagland

FLORENCE (WP).—Enrico An- geloni, an art student who has given up on the Communist party, brings cheer to some of Italy's most conservative politi- cians. But he and his associates also frighten a growing number of Italians.

"The Communists have com- promised themselves and have become just as corrupt as the other parties," Mr. Angeloni, 21, said. "They have given up on revolution. It is up to us to make the revolution now."

Mr. Angeloni was interviewed inside the once fashionable Hotel Stelia in central Florence. Closed three years ago, the hotel was boarded up until taken over by the bearded Sicilian student and 110 other young people three months ago to protest the lack of student housing here.

The city government, headed by the Communists, kept elec- tricity and water off but made no other moves against the com- mune.

"It makes no difference that the Communists are in control here," said a young woman who is in her fourth year at the university but has reduced her course load repeatedly rather than graduate and join the ranks of the unemployed. "They let the speculators close down buildings to increase rents, too."

Increasing radicalization and violence is challenging the Italian Communist party's commitment to moderate Eurocommunist poli- cies that now appear to be cost-

ing the party electoral support.

After watching the Communists quietly cooperate with the minor- ity Christian Democratic govern- ment for the last nine months, students and others who once flocked to the Communist ban- ner as an alternative to the conservatives appear now to be supporting extremist groups or abandoning party politics in growing numbers.

That tentative but spreading impression encourages some Christian Democrats and West- ern diplomats who hope the Com- munist drive for power. The same impression frightens other equally conservative political activists and analysts.

"For a decade, we've been watching them grow into the country's second largest party and worrying about all the mem- bers they were getting," said a civil servant. "Now we have to worry about members they are not getting. Those are the people who go completely outside the system now."

Prison breaks, kidnappings and other violent crimes have become so frequent that newspapers and citizens increasingly complain that Italy is suffering from a spreading breakdown of law and order.

Confronted by the pressures of public disorder, new economic problems and the growing discon- tent of students and at least 1 million unemployed, Christian Democratic Prime Minister Giulio

WHO Condemns Israeli Behavior In Occupied Area

GENEVA, May 16 (UPI).—The World Health Organization an- nounced today condemning Israel's treatment of the population in occupied Arab territory.

As with similar resolutions at previous WHO assemblies, the large majority of Arab, African and Communist countries over- whelmed Western opposition.

This year's resolution, which also contained an open threat to remove Israel's voting rights at WHO, was approved by a vote of 66-23, with 16 abstentions. There were a further 26 countries which did not turn up for the vote.

Sponsored by 24 Third World nations the resolution accused Israel of "ethnic cleansing and degrading Arabs, destroying Arab houses and confiscating Arab lands, and of granting and re-granting people's, resulting in numerous deaths."

self to a "programmatic accord" encompassing increased police powers, reforms for the nation's overwhelmed universities and curbs on wage increases and government spending.

New compromises with the Christian Democrats will un- doubtedly spark even more criti- cism from the left of the party's brand of Eurocommunism.

Two senior Communist party officials indicated in interviews last week that the party was prepared to weather such criticism, reaffirm its commitment to mod- erate policies and perhaps sup- port a new government headed by Mr. Andreotti.

"We have to come up with something that shows things are going to change," said a Central Committee member, Luciano Barka. "To get such an agree- ment, we have to show things are going to change."

(Continued on Page 2, Col. 3)

Details Requested

PLO Asks U.S. Clarification Over Palestinian Homeland

By Marvin Howe

BEIRUT, May 16 (NYT).—The Palestine Liberation Organization views President Carter's concept of a Palestinian homeland as "an important contribution to a just and durable peace in the Middle East" but would like some details.

"We appreciate President Carter's position on a Palestinian homeland as a step forward and we hope that it will be put into practice," Mahmoud Labadi, a spokesman for the PLO, said in an interview here today.

This was the first statement by the PLO since Mr. Carter's recent meetings with the leaders of Syria and Jordan. It was from those meetings that the concept of a Palestinian homeland appeared as a cardinal point of U.S. policy for a Middle East peace settlement.

The PLO spokesman stressed, however, that President Carter's references to a Palestinian homeland needed clarification.

"The President should say

where the homeland will be located," Mr. Labadi said. "We refuse any substitution outside of Palestine."

This position coincides with the reported view of Syrian President Hafez al-Assad, who is said to have emphasized to Mr. Carter that Jordan must retain its sovereignty and not be offered as a substitute for a Palestinian state.

"Mr. Carter should also specify the political status of the Palestinian homeland," Mr. Labadi said. "We refuse federation with the Hashemite kingdom of Jordan."

His refusal of federation with Jordan was categorical and aimed to cut speculation in Washington on a formula which might eventually prove acceptable to the Israelis.

Acceptable Plan

He said, however, that the PLO would agree to a reported plan for a Palestinian state on the West Bank and the Gaza Strip, occupied by Israel in the Six-Day War of 1967.

"We are for the establishment of a Palestinian state on any inch of liberated or evacuated territory of Palestine," Mr. Labadi said.

He stressed that the question of a homeland was really a false issue.

"We have a homeland—Palestine—but what we need is a state, which includes a place to live in, a government, identity," he said.

The majority of Palestinians are suspicious of Mr. Carter's words about a homeland because of 30 years of unfulfilled promises, Mr. Labadi said.

Refugee Camp Fears

The Palestinians fear that it could mean merely a place to live, a sort of magnified refugee camp, without sovereignty.

The PLO, however, is ready to consider the question of a homeland to make progress on the general problem, Mr. Labadi said.

"The PLO still holds that certain conditions are necessary for a just and durable peace in the Middle East: Israeli withdrawal from the territories occupied in 1967, recognition of the legitimate rights of the Palestinians, an end to the settlement policy in the occupied areas, the stopping of immigration to Israel and the repatriation of the Palestinians expelled in 1948," he said.

Front-Engine Design

New Israeli Tank Is Designed To Carry Troops Into Battle

By Dial Torgerson

JERUSALEM, May 16.—Because President Carter said so, Israel has finally admitted officially that it is building its own tank—a radical design unlike any main battle tank in the world.

The fact that it is making a revolutionary tank is all that was confirmed by Israeli officials, although details of the tank's characteristics have been reported earlier in military journals in the United States and elsewhere.

The tank, called the Chariot, differs from most tanks in a number of respects:

- In addition to its crew it can carry 10 soldiers, making it a combination tank-armored personnel carrier.

- It has an engine in front. All tanks standard to modern armies have rear engines.

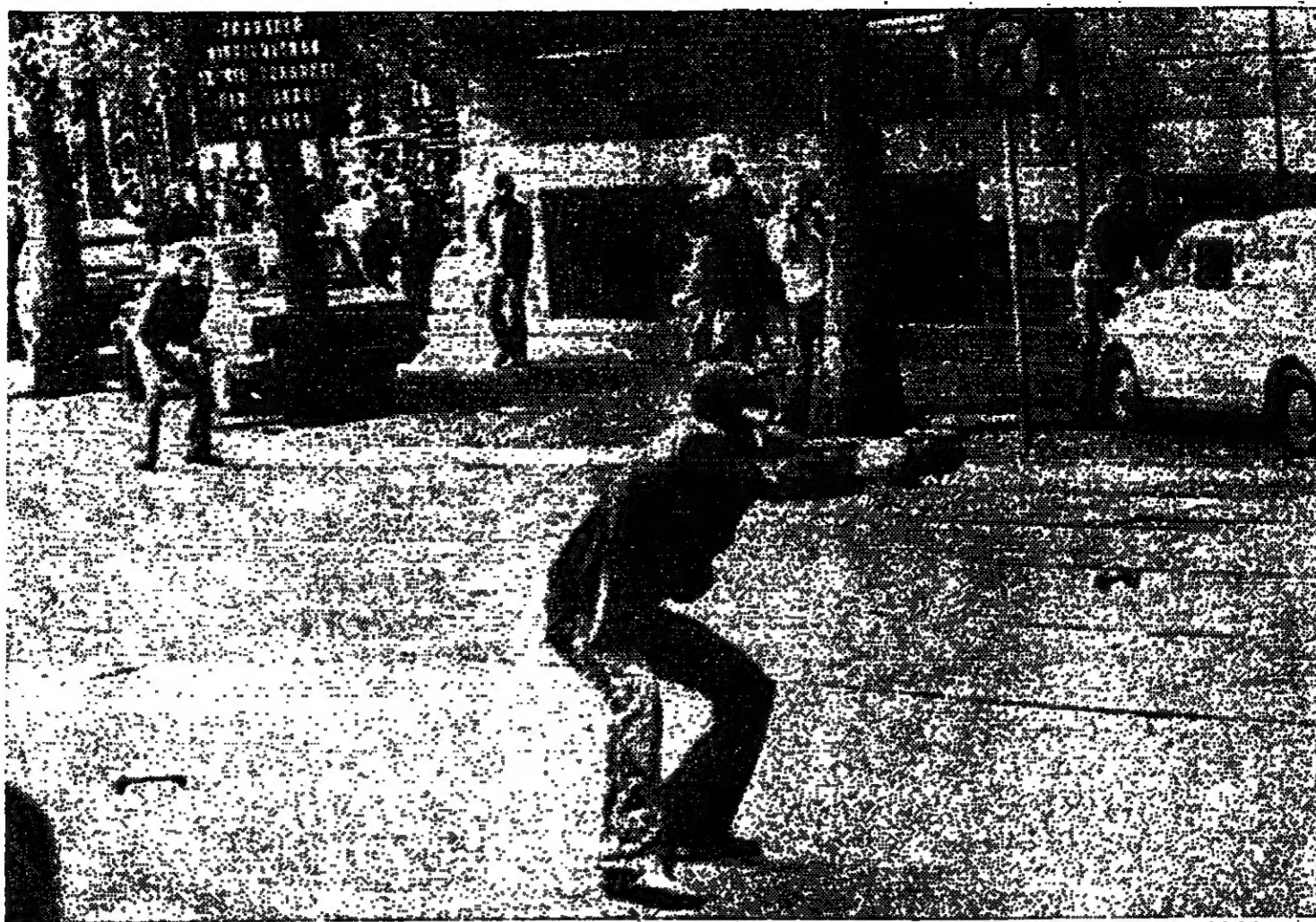
- Because of the front-engine design, the crew and passengers exit through doors at the back, instead of out the turret or hatches at the front. This makes it easier for troops to enter and leave and safer for the crew to escape if the tank is hit.

- Innovative Design

A U.S. tank expert has called it "the only truly innovative tank design developed in decades."

In the early days of the Yom Kippur war of 1973, Israeli tanks operating without infantry were hard hit by Egyptian troops using new anti-tank missiles. Tank warfare philosophy holds that armor must be accompanied by infantry for protection.

The U.S.-NATO theory is to have armored personnel carriers with troops aboard to accompany tank forces. The personnel carriers are less heavily armored than tanks and are a liability in action. The Chariot concept would mean that one vehicle—a



ACTION IN MILAN—A demonstrator firing a revolver at police during Saturday riots in which a policeman was killed by a bullet. Other protesters can be seen behind him in this photo from Milan's Corriere d'Informazione.

Radical Young Defy Italy's Eurocommunism

(Continued from Page 1) ment, the Communist party has to be ready to lose something. But so must the Christian Democrats. We both have to take risks."

Steps Listed

Speaking shortly before a two-day Central Committee meeting began in Rome on Thursday, Mr. Barba said.

Other sources suggested that the Communists would accept a high-level parliamentary group that would have watchdog functions over the Cabinet as their price for substantial agreement on a new program for governing.

Mr. Barba and other Communist officials praise Mr. Andreotti's skill in keeping the government afloat. It now appears certain that they will support his staying on to head the Cabinet, which may be reshuffled after the

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Acts of Violence Erupt in Cities Throughout Italy

ROME, May 16 (UPI).—Bombs exploded before dawn today outside a police barracks in the northern town of Cantù and at a prison guard school in Eridonia, near Naples. Damage was slight and there were no casualties.

In Rome, gasoline was poured under the door of a Communist party office in the Trastevere district and set on fire.

Two rightist youths fired pistol shots at leftists in the courtyard of the Rome courthouse without hitting anyone and then barricaded themselves in a garage. They surrendered after a policeman fired warning shots.

More than 5,000 persons marched today in a funeral procession for Girolamo Masti, 19, who was shot and killed during political disorders here on Thursday.

There are no illusions in NATO circles that the notion is meeting stiff opposition by the U.S. arms industry and its lobbyists in Congress.

President Carter told his NATO partners at the summit in London last week that the United States was prepared to make a major effort to increase its military commitments to the alliance.

He has already asked the U.S. Congress to provide increased funds for these.

But any "two-way street" arrangement on arms procurement must include fair competition, NATO officials said. This means the purchase of the best hardware for the least money.

The former chief of the NATO military committee, Admiral of the Fleet Sir Peter Hill-Norton, accepted that this concept could only be successful if the European allies produced weapons and equipment needed by America with equal quality and performance as that produced by U.S. industry.

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French Leftists Meet Today To Revise Common Program

PARIS, May 16 (Reuters).—Leaders of the French Socialist and Communist parties will meet here tomorrow to revise their Common Program for government.

The aim of the meeting between Socialist leader François Mitterrand, Communist chief Georges Marchais and Robert Fabre, head of the small Leftist Radical party, is to review their detailed economic, social and political program which the alliance plans to implement if it wins the general elections next March.

But the Common Program dates from 1973 and the three party leaders agree that many of its clauses are now out of date.

Cost Estimates

The Communist party put the alliance under strain last week when it published its own cost estimates for the program, without consulting the Socialists or the Leftist Radicals. The Communists' figures showed that employers would have to pay \$44 billion francs (\$68 billion) in extra salaries and social security charges by 1980 if the left won power next year.

The controversial figures annoyed the Socialists and embarrassed Mr. Mitterrand in a televised debate with Prime Minister Raymond Barre.

In the debate, Mr. Barre questioned Mr. Mitterrand about the figures, forcing him to state clearly that he did not agree with them.

The Communists denied that they had sought to embarrass Mr. Mitterrand in the debate. However, the Socialists believe that Mr. Marchais wanted to make it clear that the Communist party does not accept Mr. Mitterrand

as the sole spokesman for the leftist opposition.

Mr. Marchais has, so far, been unsuccessful in his own efforts to challenge Mr. Barre to a television debate.

Tomorrow's meeting will be the first of what is expected to be a two-month series of detailed negotiations to update the Common Program.

LOS ANGELES, May 16.—United Auto Workers president Leonard Woodcock has denounced President Carter's proposed tax on "gas-guzzlers" as an unwelcome and unnecessary burden on the UAW's convention here tomorrow.

Mr. Woodcock said yesterday that the President's plan would mean giving \$900 million in tax rebates to foreign manufacturers whose cars have low gas mileage.

The UAW is one of the few unions that has been restrained in its criticisms of Mr. Carter. After making his attack on the President's "gas-guzzler" tax and the tax rebate plan for high-mileage cars, Mr. Woodcock quickly assured the more than 3,500 delegates at the opening session: "This doesn't mean we are dissatisfied or disillusioned with the President."

Mr. Carter's speech here, billed as a major address on domestic policy, will be his first to a trade union audience since he rejected several labor proposals ranging from a \$5 minimum wage to an expanded federal jobs program to reduce unemployment.

While here, Mr. Carter plans to inspect damage caused by the severe drought that began more than two years ago.

Leaders of the 1.4-million-member UAW have generally muted their criticisms of Mr. Carter and praised those parts of his program with which they agree.

The delegates indicated their support for efforts to assure the union its reputation as "one of the world's most progressive unions—a union committed to the concept of equality, brotherhood, solidarity and teamwork."

By agreeing to donate \$800,000 to the Martin Luther King Jr. Center for Social Change in Atlanta, the contribution was accepted by Dr. King's widow, Mrs. Coretta King.

UAW Chief Says Carter Tax On 'Gas-Guzzlers' Is 'Unwise'

By Harry Bernstein

Speaking to the convention, California Gov. Edmund Brown Jr. called on the UAW to help find solutions to the problems of foreign nations using U.S. economic aid to make products that they then sell in this country "and wreak havoc on our economy."

He said there are "pools of cheap, exploitable labor all over this world" and multinational corporations take advantage of those pools to build factories abroad and then sell products here that result in U.S. joblessness.

Mr. Woodcock, in discussing Mr. Carter's proposed tax rebates on cars using less gas, said that if foreign carmakers are given such rebates it would mean the United States would have to pay an estimated \$900 million a year to foreign carmakers.

So far, he said Mr. Carter has not ruled out that possibility.

Mr. Woodcock said another law, already in effect, would require carmakers to sell cars with a fleet average of 27 1/2 miles a gallon by 1985. That, he said, would cut gas consumption by 17 per cent even with 20 per cent more cars.

It will save no gas, he maintained, to have a family use three small cars instead of one large one which could accommodate an entire family of a husband, wife and five children.

"We must consider the needs of families, not machines," he said.

Mr. Woodcock apparently hopes to change the President's gas-tax policies. He may succeed, since he is close to Mr. Carter, who has named him to head the U.S. mission to China.

On Wednesday, the delegates will elect a new president to replace Mr. Woodcock, who took over the position seven years ago after the death in a plane crash of Walter Reuther.

Following Carter's Proposal

U.S., Britain Sign Agree For 'Two-Way' Arms Deal

By David Haworth

BRUSSELS, May 16 (IHT).—President Carter's call at the NATO summit in London last week for increased U.S. purchasing of European defense equipment was implemented at a meeting here today of the alliance's defense ministers.

A U.S.-British agreement was signed which cleared the way for the U.S. Navy and Air Force to buy more British equipment.

The deal was completed by Defense Secretary Harold Brown and the British Minister of Defense, Fred Mulley. In effect, it countermands a 2-year-old memorandum in which the U.S. Navy and Air Force objected to transfers of technology from the United States to Britain under co-production agreements and subcontracting deals.

The agreement removes these objections. An example of the weapons systems affected is the Avon air-to-air missile for the F-14, F-15, F-16 and the F-18 for which Britain's Marconi is producing the radar-homing guidance system.

"Two-Way Street"

The accord was hailed by British spokesmen attending the one-day "Eurogroup" session as evidence that Washington means business in the so-called "two-way street" of weapons and equipment purchasing by the United States in Europe.

President Carter told his NATO partners at the summit in London last week that the United States was prepared to make a major effort to increase its military commitments to the alliance.

He has already asked the U.S. Congress to provide increased funds for these.

But any "two-way street" arrangement on arms procurement must include fair competition, NATO officials said. This means the purchase of the best hardware for the least money.

The former chief of the NATO military committee, Admiral of the Fleet Sir Peter Hill-Norton, accepted that this concept could only be successful if the European allies produced weapons and equipment needed by America with equal quality and performance as that produced by U.S. industry.

There are no illusions in NATO circles that the notion is meeting stiff opposition by the U.S. arms industry and its lobbyists in Congress.

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came by NATO evidence of a shift in the policy, which is sincere desires to put

At present the U.S. spends four times as much as the Soviet Union on research and development of weapons as all of the other major powers.

This is a balance is evidently determined—however modest—may be in the long

U.S.S.R. Rentals Foreign

By David K.

MOSCOW, May 16.—Like a rich land all the apartments Soviet government

demand huge rents from foreign residents living in the apartments. And it told a complete "We dictate the pri

In recent weeks, rent, which has a most urban housing vici citizens and I has begun sending foreign diplomats, and journalists. TT rents to such an ambassadors have meetings and offi have been lodged, have refused to

Despite Azorean Separatism

Assures Mondale on Base

May 16 (UPI).—U.S. Sen. Walter Mondale said assurances from President Jimmy Carter that the United States will not seek to annex the Azores, which he visited during the last war.

He was not being put into by us," Mr. Mondale said while visiting the Montevideo Palace.

Workers Warned of Peril

K. May 16 (AP).—Portuguese scientists have warned that exposure to organic nickel compounds, which are used in the production of nickel, could be a health hazard.

The Occupational Safety and Health Administration is currently reviewing the health hazard of nickel compounds, which are used in the production of nickel.

The dard was adopted after a recommendation by the Occupational Safety and Health Administration.

Crash Toll 582

NIO, Texas, May 16 (AP).—A victim of the aviation disaster at the Canary Islands last week, the Brooks Army, officials said, died in an American plane, bringing the total number of deaths to 582.

Azores—where separatists want to secede from Portugal and become part of the United States—figured prominently in the talks between the Vice-President and Portuguese leaders.

Armed separatists on the islands, 745 miles away in the Atlantic Ocean, attacked a police headquarters early today. Police removed one of their flags in Ponta Delgada. A bomb also exploded outside a Portuguese radio installation. Nine persons were hurt in the gun and rock-throwing fight with police.

Movement Minimized
Mr. Soares minimized the separatist movement, saying it was confined to "a minority on the island of Sao Miguel. The Azoreans are Portuguese with the same rights and duties," he said.

Mr. Mondale said U.S. and Portuguese negotiators were continuing discussions on technical issues relating to the base and its use. The United States used Lajes as a refueling stop for its aircraft during the 1972 Arab-Israeli war, drawing sharp criticism from Arab nations.

The regional government, which was given semi-autonomous status last year, wants to receive lease payments for the base directly from the United States for regional development projects.

History of Contacts
The Azores have a long history of contacts with the United States, going back to 18th-century whaling days. About 1 million Americans of Azorean descent live in the United States. The nine islands have a population of only 250,000.

U.S. Court Backs Charter Airlines

WASHINGTON, May 16 (AP).—The Supreme Court let stand today a lower court's decision allowing charter airlines to compete for passengers on regularly scheduled flights.

The court turned down an appeal by American Airlines and Trans World Airlines, which contended that recognized charter companies should not be allowed to offer regularly scheduled service.

The U.S. Circuit Court of Appeals in Washington in December overturned a decision by the Civil Aeronautics Board that barred charter airlines from applying for regular-service certification. The appeals court ordered the CAB to reconsider a request for scheduled flights by World Airways Inc.

To honor the Azorean Americans, Mr. Mondale made a special point of attending a private luncheon at the Patriarchate with Humberto Cardinal Medeiros, the naturalized U.S.-Azorean Archbishop of Boston, and Portugal's Antonio Cardinal Ribeiro.

The United States considers Lajes a base of strategic value not only for Europe but also for the Middle East and North Africa.

In his conversations with President Antonio Ramalho Eanes and with the Premier, Mr. Mondale brought the full prestige of the United States to bear on the development of democracy in Portugal after nearly 50 years of dictatorship.

"This nation stands as a symbol—perhaps one of the most outstanding in the world today—of leadership that is moving dramatically towards the principle of democracy and toward the closest possible observance of human rights," Mr. Mondale said after the meeting.

Mr. Mondale assured the Portuguese that the United States was moving to contribute \$300 million as part of an international consortium to assist Portugal with its balance of payments. The United States, he said, also will help Portugal mount an air mobile brigade for NATO and supply C-130 aircraft and armored personnel carriers.

SST Foes in Bid to Carter After Car Protest

NEW YORK, May 16 (AP).—Opponents of the English-French Concorde supersonic airliner, after causing a traffic jam at Kennedy International Airport, yesterday asked President Carter to help them in their fight to prevent the aircraft from landing in New York.

The plea was made by Jerry Berman of the Emergency Coalition to Stop the SST, and Bryan Levenson of the SST Alert, after a demonstration at the airport involving about 1,200 cars.

Airport roads were clogged for nearly three hours, forcing inconvenienced travelers to hurry across the airport carrying their own bags.

The demonstration caused huge traffic jams on highways leading to the airport, but no arrests were made. Instead, police showed motorists copies of an injunction issued last month, took license numbers and warned, "Get two more of these and you'll get a bonus—a summons to court."

The demonstration was held to protest a ruling by a federal judge that the Port Authority of



TO PUT IT BLUNTLY—Motorized demonstrators hold sign during Sunday's blockade of roads at Kennedy Airport.

New York and New Jersey could not prevent the landing of the Concorde at Kennedy.

Demonstrators and Port Authority officials agreed that yesterday's demonstration was more effective than one held last month. Mr. Levenson predicted that his group's rally at the airport next Sunday would be larger and would be "by land and by sea."

"We'll have a whole flotilla of boats out on Jamaica Bay," he said.

Mr. Berman was filling in for his wife, Carol, as coalition spokesman. She was in London to present her position on a BBC broadcast.

Mr. Berman said that he hoped Mr. Carter would instruct the U.S. Transportation Department to support the Port Authority's

Starfighter Crashes

LEER, West Germany, May 16 (AP).—A Danish pilot was injured after parachuting from his Starfighter jet before it crashed in a field near here, police said.

appeal of the recent ruling. "We're still looking for help from the United States government," he said.

"We think we've been dumped on," he said. "We're citizens of the United States and the decision was made only for the financial interests of France and England. It's unconscionable."

The ruling by U.S. District Judge Milton Pollack provided that the Port Authority had no right to overrule a 2-year-old order by William Coleman, who was then transportation secretary, that test flights of the aircraft be allowed at Kennedy.

Attempting to put the "political football back in Carter's lap," Mr. Levenson said that he hoped the President would modify the Coleman order to include the words "subject to approval by the Port Authority" so that the final decision would rest with the regional agency.

Talks Set for Wednesday

U.S. Open to Micronesian Independence Bid

By Don Oberdorfer

WASHINGTON, May 16 (WP).—The Carter administration has decided to seek expedited negotiations to end the 30-year U.S. trusteeship of Micronesia and, for the first time, it is willing to consider early independence for the vast mid-Pacific domain.

Officials from the National Security Council and the State, Defense, Interior, Commerce and Justice Departments will present the U.S. position to political leaders of the Micronesian Islands during talks in Honolulu beginning Wednesday.

The United States took the islands from Japan in World War II and has ruled them since 1947 under a UN mandate.

The new U.S. position on Micronesia's future was worked out by executive departments and approved by President Carter several weeks ago in a National Security Council policy paper, officials said.

A Free Association

The United States still prefers a "free association"—an arrangement under which Micronesians handle their internal affairs but place foreign relations and defense in U.S. hands. However, full independence is now considered a permissible option if that is what the islanders want.

State Department officials believe that strong U.S. treaty ties and other close relations would be likely if the Micronesians opt for independence. U.S. military and Coast Guard support is necessary for the unarmed Micronesians to protect and patrol their waters, and U.S. financial support is a mainstay of their economy.

The close ties the French and British maintain with some of their former colonies, including small states that depend heavily on them for support, are considered possible models for a future U.S.-Micronesian relationship.

In 1975, the northern Marianas Island chain voted to become a U.S. commonwealth, similar to Guam or Puerto Rico, in an arrangement subsequently approved by the U.S. Senate. However, the change will not take effect until the U.S. trusteeship over the entire Micronesian island area is disbanded.

Compact Worked Out

Negotiators for the rest of the Micronesian island groups have worked out a "draft compact" calling for autonomy in internal affairs and U.S. handling of defense and foreign affairs. This is

awaiting the legislative approval of the islanders.

Meanwhile, a constitutional convention, working separately, has written a charter calling for Micronesian independence. It is to be submitted to the islanders for a vote next year.

The Carter administration believes that the Micronesians should make up their own minds on their future political status, including ties to the United States. The United States hopes this will be done without delay and is believed ready to set a target date in the early 1980s for dissolution of the trusteeship.

The U.S. "strategic trusteeship" over the mid-Pacific region of 5,000 islands, about 120,000 islanders and an oceanic area about the size of the continental United States was obtained from the United Nations in 1947. At that time, the United States promised to promote economic advancement and eventual "self-government or independence," a phrase that was added to the agreement at the demand of the Soviet Union.

Diplomatic Embarrassment

Of 11 special trusteeship agreements granted by the UN after World War II, only the U.S. mandate over Micronesia remains in force. U.S. policymakers consider this a diplomatic embarrassment, particularly when U.S. diplomats are pushing South Africa to grant independence quickly to its colony in South-West Africa (Namibia).

In addition to military positions in the Marianas, U.S. strategic interests in Micronesia include the missile-testing area near Kwajalein in the Marshall Islands and a possible future military base in Palau in the western Carolines. Separatist groups in the Marshalls and Palau want to make their own deals with the United States, but so far Washington has refused to negotiate.

Pentagon officials believe that denial of the vast strategic region to the military forces of other powers is of the utmost importance to U.S. security interests. A deal between a foreign

power and a Micronesian state could change the strategic balance and threaten U.S. military policies in the Pacific.

An impediment to the U.S.-Micronesia talks is the revelation earlier this month that the Central Intelligence Agency spied on Micronesian negotiators during earlier deliberations on the region's future. Micronesian officials have demanded an explanation of the spying before proceeding to negotiations with the United States.

U.S. Financier Is Sentenced For Contempt

SAN DIEGO, May 16 (UPI).—Financier Arnold Smith, 78-year-old friend and backer of former President Richard Nixon, has been sentenced to prison for an indefinite term for refusing to answer questions in a federal court debtor's examination.

The examination involves a \$3-million judgment against Smith and his Sovereign State Capital Corp. by the Federal Deposit Insurance Corp. Smith on Friday was ordered to prison for "as long as it takes" him to decide to answer questions about his personal finances. U.S. District Court Judge Irlan C. Nielsen stayed the sentence for 21 days to allow Smith to appeal.

Smith's financial problems began in October, 1974, when the United States National Bank of which he was president and board chairman collapsed in the largest bank failure in U.S. history.

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Few Encouraging Signs

Australians Fear Chronic Economy Malaise

By Fox Butterfield

MELBOURNE, May 16 (NYT).—Australians, who have long thought of themselves as a lucky people, blessed with enormous natural resources and an unusually comfortable style of living, have become embattled in a seemingly endless fight against inflation, unemployment and recession.

The country's prolonged slump has aroused fears that Australia has "the English sickness," a reference to Britain's chronic economic malaise.

"Now it has become the Australian disease," remarked an Australian banker who travels widely overseas. "Given all our advantages, it is self-inflicted, a product of our own self-indulgence."

There are some small encouraging signs of recovery. The consumer price index for the first quarter of the year rose only 2.5 per cent, the smallest increase in four years. Investment in mining, which makes up 40 per cent of Australia's exports, has begun to rise.

Easy Days Gone

But most Australians still seem preoccupied with the economy, and some knowledgeable persons wonder whether the country is ready to recognize that the easy days of the post-World War II boom here are gone forever.

"The greatest mistake was that most of us believed we had it made," said Rod Carnegie, the chairman of Conzinc Riolinto of Australia, the country's second largest company. "There was a climate where people felt there was unlimited wealth, automatic prosperity and automatic improvement in living standards. We were wrong."

Since 1973, wages in Australia have increased 75 per cent and are now said to be the highest in the world, counting a series of mandatory extra benefits. In the same period, productivity, a measure of improvement in industrial efficiency, has actually declined.

Some studies show productivity in Australia's outmoded manufacturing industry, which is protected

by high tariffs to make up for its small internal market, is lower than Britain's.

Although inflation has been reduced in the United States since the worst days of 1974, in Australia it was still 13.6 per cent over the last 12 months.

Jobless Rate

Unemployment among the 14 million Australians is at 5.4 per cent, a relatively low rate in the United States but one of the highest here since the 1930s. In Newcastle, an industrial port on the east coast, up to 40 per cent of the city's 200,000 residents are said to be affected by layoffs in the steel mills and shipyards.

Strikes by the well-organized and sometimes Communist-led unions have become increasingly disruptive. Recently Melbourne, with a population of 2.4 million, was brought to a near standstill by a 13-day strike by 230 oil-truck drivers who supply the city's gasoline.

With the tremendous rise in the cost of labor and the inefficiency of many of Australia's industries, some are facing severe difficulty. Last week the country's largest carmaker, General Motors-Holden, a subsidiary of the American company, announced that falling sales had forced it to offer its 23,000 workers a choice between an extra week's vacation or a start to layoffs. The Vehicle Builders Union rejected both proposals.

Some businessmen here contend privately that Australia cannot afford its inefficient manufacturing and that some should merge or go out of business. They note that Australia has as many carmakers as the United States in a far smaller market—General Motors, Ford, Chrysler, Toyota and several other Japanese and European companies.

Whatever the case, it is hurting Michael Kazakos, a taxi driver

who migrated here from Greece in 1954. Five years ago, his brother bought a Ford Falcon as a cab for \$3,000, but now, Mr. Kazakos has discovered, when he wants his own taxi, the same car is selling for \$7,000.

Fifteen Recovery

In some ways Australia's problems are not unlike those in the United States, where economic recovery has also been fitful. But with Australia's smaller population, the troubles seem to be felt more acutely.

Economists here sometimes point to two features of Australian society, both inherited from Britain, that may have also prolonged the slump here. One is the political system, with its built-in adversarial relationship in parliamentary debate between one party representing labor and another supporting business. The second is the British union system with its multiple small unions in each company and few industry-wide unions.

Both of these features, it appears, have made it difficult to reach any consensus on slowing the continual round of wage and price increases.

In any case, with the enormous rise in wages, the average working Australian now earns the equivalent of \$210 a week, compared with \$175 in the United States.

Other Benefits

A number of other benefits push the cost of labor even higher. By federal law, every working Australian receives a mandatory four weeks' vacation a year, and a bonus of 17.5 per cent extra pay while on vacation. Some workers automatically receive time-and-a-half or double-time pay for working evenings and weekends, although these are their regular working hours.

To some degree inflation has been built into the economy by the system of awarding workers almost automatic wage increases in keeping with rises in the consumer price index.

Known as indexation, this is done through the Arbitration Commission, an independent semi-judicial body empowered to settle labor disputes.

During his three-year tenure, Gough Whitlam, the Labor party prime minister, encouraged the spurt in wages as part of a policy to redistribute the nation's wealth and to shift emphasis from industrial growth to concern with the quality of life.

Little Crime

Australian cities, where two-thirds of the population lives, remain among the most pleasant in the world, with little crime or pollution.

According to World Bank figures, Australia has the most equal distribution of income of any country except Hungary.

With a population of only 14 million in an area roughly the size of the United States, Australia has vast deposits of iron ore, coal, bauxite for making aluminum, 30 per cent of the non-Communist world's reserves of uranium, nickel, zinc, lead and manganese and it supplies two-thirds of its own petroleum. But there has been only a minimal expansion in mining since 1972.

A leader of the Labor party in Canberra, the capital, suggested that Australia's real problem was the middle-classing of society. "Prosperity has made everyone come to believe it is their constitutional right to a new home in the suburbs, a good job and expensive vacations. But you don't get something without working for it."



SISTER'S WRATH—Juanita Castro, Fidel's sister, speaking to crowd in New Orleans during demonstration.

Juanita Castro Joins Protest Of Renewed U.S.-Cuba Ties

By Richard Severo

NEW ORLEANS, May 16 (NYT).—The Cubans walked peacefully, quietly, sadly yesterday in Spanish Plaza near the ship passenger terminal—men and women, young and old, scientists and philosophers, laborers and students.

They all had the same message, that the United States should not embark on a new era of trade and tourism with Cuba until all questions of human rights under Fidel Castro are thoroughly examined.

Premier Castro's sister, Juanita, was among them. Miss Castro, who left Cuba in 1964, spoke a few hours before the cruise ship Daphne was scheduled to leave on a voyage to Havana, marking the end of a 16-year travel restriction between the United States and Cuba. Among those aboard were jazz trumpeter Dizzy Gillespie, who will give a concert tomorrow night at Havana's National Theater.

Miss Castro said that she had written to President Carter asking, "Why, after your pronouncements concerning human rights, do you not vigorously advocate that these be respected in Cuba before even trying to renew relations of any kind with the Communist government of Havana?" She was cheered by a group of about 100 Cuban émigrés.

A protester, Dr. Fernando Farfalle, a philosophy professor at Xavier University here, said that he originally supported Mr. Castro in his efforts to oust the regime of Fulgencio Batista in 1950.

"It is a mistake to label us as right wing. We were trying to correct injustices in Cuban society and we opened our arms to Fidel and he betrayed us, our revolution, our culture and everything we stand for," Dr. Farfalle said.

Another former Castro supporter, Dr. Augustin Guitart, a physician at Xavier, said the resumption of tourism and trade between the United States and Cuba would pose a moral problem.

There were no Cubans aboard the Daphne yesterday as she prepared to sail. The Cuban government reportedly stipulated that only U.S. citizens not born in Cuba would be permitted to attend the jazz concert in Havana.

Time is our most precious resource," Prof. Wilson said. "It must be used as wisely as energy."

MIT Report Echoes CIA Prediction
2d Expert Panel Sees World Oil Crisis by

By Robert Siner

WASHINGTON, May 16 (NYT).—The world faces "foreseeable catastrophe" with oil shortages as early as 1981 unless conservation and conversion to alternative energy sources to petroleum are instituted with "wartime urgency," an international investigative team reported today.

In one of the bleakest assessments yet made of the world's energy situation after 1980, the team, made up of 35 business, government and academic leaders from 15 non-Communist countries, concluded that despite all the expected efforts by industrial nations in the next 25 years, there will not be enough oil.

However, to prevent disaster, "the critical interdependence of nations in the energy field requires an unprecedented degree of international collaboration in the future," the report said.

The report was the result of a 2 1/2-year study on alternative energy sources sponsored by the Massachusetts Institute of Technology. Its findings echoed those of a recently released CIA report that warned that world oil shortages could begin by 1981 or not many years thereafter.

Sand Key

The study said that the key to when the oil shortage would begin would be Saudi Arabian oil production. If it stays at the current 9 million barrels a day, then oil demand will outrun supply by 1981. But even if it is boosted to 20 million barrels a day, the shortage will only be put off until 1990.

The report warned that unless drastic steps were taken the oil shortage would grow to between 13 and 20 million barrels a day—comparable to total current U.S. consumption—within 25 years.

The shortage will occur even if coal production is more than doubled, nuclear power output increased 15 to 25 times, the growth rate for oil demand is cut in half and the price of oil rises 50 per cent, according to the study.

The energy panel met in The Hague to mark the completion of the report, which was begun in 1972.

Simultaneous Release

The 291-page report was released simultaneously in Washington and the capitals of Canada, Denmark, Finland, France, West Germany, Great Britain, Iran, Italy, Japan, Mexico, the Netherlands, Norway, Sweden and Venezuela.

Other findings included: • Energy demand will continue to grow even if governments adopt the most vigorous energy conservation policies and satisfaction of the demand must be made with energy sources other than petroleum.

• New energy sources must be developed as fast as possible and the change from oil-dominated energy systems must start immediately.

• Nuclear power could and should be an important alternative energy source.

• Solar energy and other exotic energy sources are likely to be of little significance before 2000 but of major importance during the next century.

Action Call

Despite the grim assessments made in the report, MIT Prof. Carroll Wilson, who directed the study, said "these findings are a signal for action, not despair."

To avert possible catastrophe, international mobilization of "finance, labor, research and ingenuity with a common purpose never before attained in time of peace, will be required, the report said.

"Time is our most precious

resource," Prof. Wilson said. "It must be used as wisely as energy."

He called on the United States, "by far the largest producer and consumer of energy," to take immediate action toward energy conservation.

"Conservation may be our best, cheapest, most accessible alternative energy source," he said. "However, changes in a country's energy-using systems are inevitably slow; they happen neither effortlessly nor overnight. But happen they must."

The report called for the United States to begin immediately to at least triple its coal output to provide alternate energy sources as petroleum is increasingly reserved for needs that only it can satisfy.

The study pointed out that half the known coal reserves are in the United States and added that the country should produce enough to fill the needs of the non-Communist world.

However, development of any alternative energy source will take from 5 to 15 years, the report said, so work must be started immediately to meet the need for replacement fuels which "will increase rapidly as the late of the century is approached."

OPEC Compromise
ABU DHABI, May 16 (AP).—Saudi Arabian Minister Ahmed Zaki Yamani denied reports that the Organization of Petroleum Exporting Countries had reached a rift over price. Sheikh Yamani, on the United Arab Emirates, there was no truth in the report that the 13 OPEC members near a compromise on oil.

OPEC's pricing policy in disarray since December 11 of its members' boost prices by a total of 11 per cent this year. The 11, a 10-per-cent increase, start of the year and per cent boost on July 1. The magazine Middle East Economic Survey said that the 11 OPEC members decided not to implement 5-per-cent in July 1.

Obituaries

Herbert Wilcox, 85, Prod
Hundreds of Films in Br

LONDON, May 16 (AP).—Movie maker Herbert Wilcox, 85, who produced more than 300 silent and talking films and had several big hits in the 1930s, died at his London home yesterday after a long illness.

The Irish-born Mr. Wilcox began his movie career in 1919. His two films about Queen Victoria—"Victoria the Great" and "Sixty Glorious Years"—received worldwide acclaim in the late 1930s.

"Victoria the Great" won the Gold Cup in the 1937 Venice exhibition. A big-budget picture of its day, it cost \$750,000 to make and earned \$1.5 million.

Mr. Wilcox was the first producer to introduce American stars such as Dorothy, Gladys, Pauline Frederick and Will Rogers to British film audiences.

Numerous Awards

He won numerous awards, including the National Film Award three times for the best British film of the year, and was named a Commander of the British Empire.

Mr. Wilcox, whose two previous marriages ended in divorce, wed actress Dama Anna Neagle in 1943 in a show business romance that began when he picked her out of a chorus line and made her a star.

His career crashed in 1964 when he went bankrupt, then fell seriously ill. The couple sold their apartment and collection of antiques and paintings and his wife's jewelry.

He planned a comeback but never regained his earlier success.

Gen. Yang Sen

TAIPEI, May 16 (UPI).—Gen. Yang Sen, 85, a former warlord in China and a legendary figure in Taiwan, died yesterday of lung cancer complicated by pneumonia. Born in Szechuan Province in 1893, Gen. Yang graduated from a military academy before he was 20. By the time he was 33, he had his own army in that mountainous province.

Unlike other warlords, Gen.



Herbert Wilcox

Yang gave up his kingdom and became follower of the late Chiang Kai-shek.

Gen. Yang said he had 43 daughters and 21 sons. He was born in 1900 when he was 15 years old. But he would not say times he had been how many countries.

He believed that the secret of longevity was the 95th birthday, March 10, 1900. He said he expected to be 120.

Jeff Davis

PARIS, May 16 (AP).—Jeff Davis, 87, American composer and long-time resident of France, died last night in a restaurant buried yesterday in Cemetery just outside Paris. He composed music for films and was an old friend of Eddie Constantine and Charles Aznavour.

Japanese Ecology Vigilantes Clean Up Is

By Henry Kamm

KAMISHIMA, Japan, May 16 (NYT).—Aroused fishermen have taken the law into their hands and seized every box and bottle of synthetic detergent and most tubes of toothpaste and shampoo from every house on this offshore island in the Pacific. They believe that detergents pollute the sea and kill the fish and abalone from which they earn their livelihood.

"Unfortunately none of the campaigns against detergents have brought progress," said Etsuoji Fujiwara, chairman of the board of the Fishermen's Association. "We thought we couldn't wait any longer for others to make a move. It was time we did something for ourselves."

So after unanimously adopting a resolution last February to eliminate all detergents from this island of 1,000 persons, all of whom subsist directly or indirectly from fishing, the environmental vigilantes went into action in March. None of Kamishima's 220 households was spared.

Teams of four or five, knocked on the door of each of the narrow, tiled-roof houses and asked to be invited in. Then the housewives were requested to open their cabinets for inspection. For every box or bottle of detergent confiscated, the raiders—who hold Ralph Nader in high admiration—handed over boxes or bars of old-fashioned soap or soap powder. They took the toothpaste without giving anything in exchange except the advice to use salt instead.

Cooperation

The association's president, Mishio Kikubo, said that difficult as it might be for a non-Japanese to understand, everyone cooperated. "We didn't have to touch anything. We asked them to open their kitchen cabinets, and everyone did."

Although the Kamishima raids are the first of their kind, the environmentalists' campaign against detergents is national in scope and widespread in support.

But perhaps it is not so widespread as the fishermen believe. Most of their wives are unemployed, particularly while they tread their wash with their bare feet against the stony bottom of a shallow pool by one of the winding stairways that take the place of streets on the island.

Detergents require less than soap and less cold water, the vigilantes say, as do their mending women's work.

The husbands hold in the boat while at end the women, 30 scoop up the bilgewater.

Detergents may not be the main cause for the death, Mrs. Fukuko T. said. "Before, when I was washing, I was working for 30 minutes with the wet wet work for three hours."

"It's all nonsense," woman barber carry off of white towels to be men did this because have to do the wash."

Prince Fahd to Visit
NICOSIA, May 16 (AP).—Saudi Crown Prince Fahd is expected to visit Washington May 17, the invitation of President, the official Saudi agency reported.

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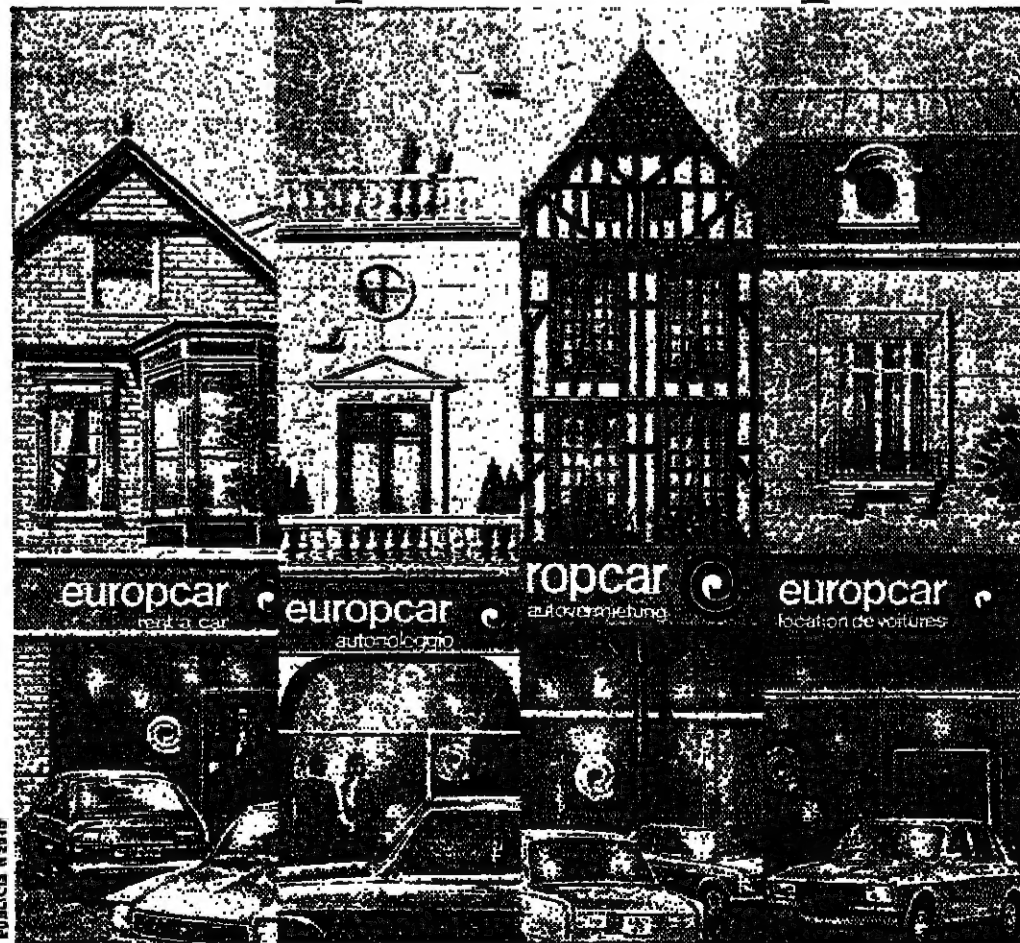
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According to Yugoslav Reports

Cubans Reported Holding Key Angolan Jobs

BELGRADE, May 16 (AP)—A Yugoslav report from Luanda said today that Cubans have taken over responsibilities in government offices and in business. It also depicted a bleak picture of life in the Angolan capital, saying that queues are the most common street scene and that food and other goods are in scanty supply.

"Currently, Cubans can be seen everywhere," the report in the Belgrade daily Politika said. "About 300 Cuban doctors and counselors are working as advisers or experts in almost all ministries. They even sit on business desks as Angolan representatives when deals are negotiated with foreign firms."

"Besides the 10,000 to 15,000 Cuban soldiers, officers, instructors, now Cuban experts and advisers can be seen on every rank in the apparatus and in the economy. They are present everywhere and very active."

The report also said that there are experts from the Soviet Union and other Communist countries. It added:

"There are also experts from other Socialist countries in almost all fields, notably Soviet geologists and military advisers, fishing experts and state security experts, Bulgarian agricultural experts, East German instructors in ministries, institutes and economic agencies."

"These experts, Cuban and Soviet, bring along their experiences and also their attitudes, understandings, ideas, ways of organization, and they influence their surroundings."

"Angolans know this, but they think it cannot be otherwise now. . . . Angolan leaders constantly stress that they will go their own way . . . that they accept the assistance with gratitude, but that they do not consider it as a debt with political obligations."

Politika also reported:

"Queues, patient and silent ones on every corner. Queues, at bus stops until one of the new 200 buses imported from Yugoslavia, handling the entire city traffic in Luanda, turns up. There are no taxis because the Portuguese took away their cars and there are no taxi drivers left either."

"Queues in front of bakeries every morning and every evening; queues in front of shops where occasionally frozen fish is being sold, because meat is not available. Queues in front of every shop at which some goods appear, textiles or plastic bags, men's shirts or ladies' blouses."

"Queues, queues on every step, so that they have become part of the scenery of Luanda on these May days," the correspondent wrote.

Politika said that the difficulties were due to the departure of Portuguese technicians and skilled workers and that Angola, once self-sufficient in food, now must import more than 90 per cent of its food.

"A real crisis has resulted from the disruption of agricultural production which cannot be restored easily and from transportation problems because many bridges have been destroyed and that roads are plagued by ambushes organized by infiltrated 'commandos' of 'adversaries,' the paper reported."

Oil Complex Warned

LISBON, May 16 (UPI)—A black guerrilla movement said today that it planned to blow up the offshore drilling complex of the Gulf Oil Co. in the Cabinda enclave of Angola and warned the company to evacuate its 200 British and U.S. employees to prevent deaths.

The Cabinda Enclave Liberation Front issued a communiqué giving the oil company three days for the evacuation.



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USHERS—Paris cyclist took his best friend a demonstration by cyclists near the Saturday. Cycling enthusiasts discussed pressing traffic problems.

to Ban Weather Weapon

May 16 (Reuters)—General Kurt Ald-Soviet Foreign Minister Gromyko arrived for the formal pact banning the use of weather as a weapon of war officials.

Secretary of State Cyrus Vance said Wednesday for the UN office in Geneva, which will be the UN office in Geneva.

Secretary of State Vance said, "The pact is a landmark in the history of the UN. It is a step towards the elimination of the use of weather as a weapon of war."

He also conferred with Mr. Gromyko on the prospects for a middle East peace agreement to UN officials.

End Visit Germany

May 16 (Reuters)—Ludwig de Meuter, German Minister of State, today left Bonn for his visit to the Soviet Union. He is expected to return to Bonn on May 18.

He is expected to return to Bonn on May 18. He is expected to return to Bonn on May 18.

Chinese Official Cites Conditions For U.S. Ties

TOKYO, May 16 (UPI)—China will not establish normal relations with the United States unless it is given a free hand to take over Taiwan, by force if necessary, a high-ranking Chinese official said in an interview published here today.

Vice-Premier Chi T'eng-kuei made the statement in an interview with Yomiuri of Tokyo. Mr. Chi is a member of the political bureau of the Chinese Communist party, the country's top decision-making body.

"In the normalization of relations with the United States, the remaining question is the disposition of Taiwan," the Vice-Premier said.

"The Chinese position is based on three conditions. First, withdrawal of American troops from Taiwan; second, abolition of the U.S.-Taiwan defense treaty; and third, an absolute break in U.S.-Taiwan diplomatic relations."

"If these conditions are not satisfied, normalization is impossible."

Despite the 1972 visit to Peking by former President Richard Nixon and opening of a U.S. Liaison Office in Peking, the United States still has full diplomatic relations with the Nationalist government on Taiwan.

6 Die in Australia Crash

SYDNEY, May 16 (UPI)—Six persons died after the light plane they were traveling in crashed on a tourist island 63 miles southwest of the South Australian state capital of Adelaide late yesterday.

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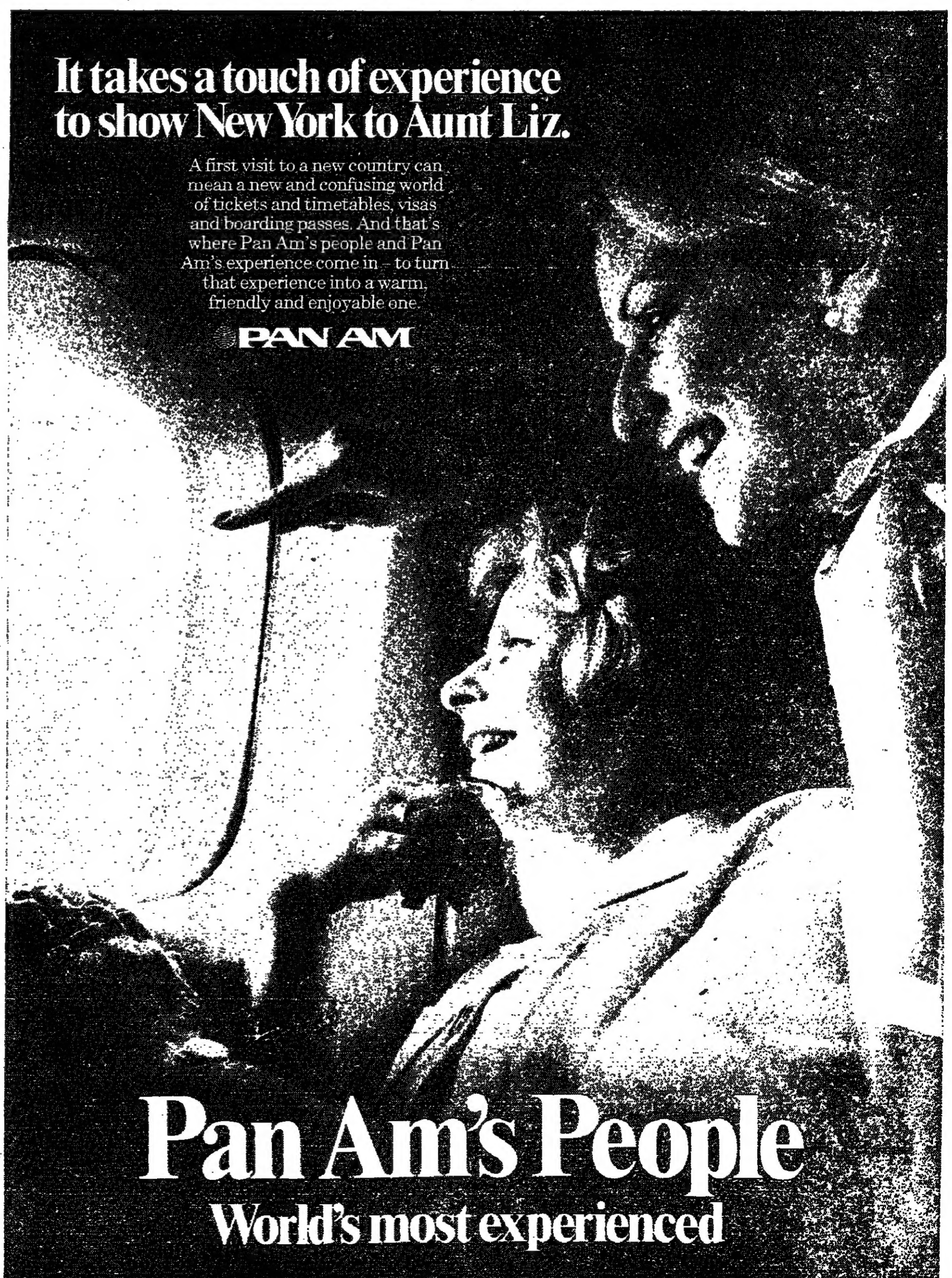
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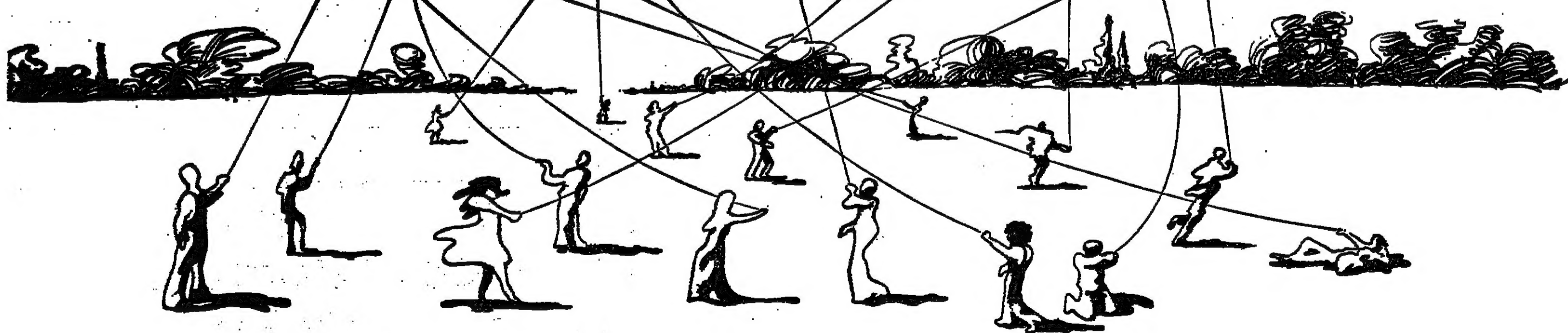
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Heath at 10.30 a.m... bring a picnic... spend the whole day... have the time of your life!

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Grand prize will be a trip to Tokyo for two on a Japan Air Lines Boeing 747. Plus seven nights at Tokyo's New Otani Hotel, set in ten acres of traditional Japanese gardens. Prizes for individual events will be announced at Hampstead Heath before the contest begins. Judges will be members of the British Kite Flying Association.

And the whole happy, festive event will be absolutely free, nothing to pay, nothing to buy. All you have to do is love kites—love to fly them, love to watch them. And youngsters are especially welcome, youngsters of all ages.

Incidentally, this first, fabulous international kite festival was dreamed up by the International Herald

Tribune, the international daily newspaper that flies high over all of Europe, and organized in conjunction with Japan Air Lines. The use of Parliament Hill, Hampstead Heath, is by kind permission of the Greater London Council. For further details, and last-minute information, call London (01) 836.73.42. Come fly with us! All of us!



PARIS OPERA

'The Magic Flute'—
A Mixed Affair

By David Stevens

PARIS, May 16 (IHT).—The Paris Opera's new staging of "The Magic Flute," almost unbelievably promising on paper, turned out to be a very mixed affair, with singing and musical direction that ranged from glorious to uneven, and a cumbersome, overcomplicated stage realization that weighed down everything and often threatened to turn Mozart's exalting masterpiece into a shambles.

At points, especially in the second act, it appeared that the production simply was not ready. One incident technique caused an unscheduled interruption. Others saw scenic elements getting snarled or apparently refusing to move as planned, stagehands all over the place manhandling pieces of rolling scenery, and as often as not, backstage clatter getting in the way of what was meant to be heard.

Miracle Awaited

Aside from this, the Viennese team of Horst Zankl (stage director) and Erik Brauer, of the so-called "fantastic realist" group of painters (sets and costumes), seemed to have given much heavy thought to all the possible psychological-psychanalytical levels of the work—as usual, a rich source of complex program essays

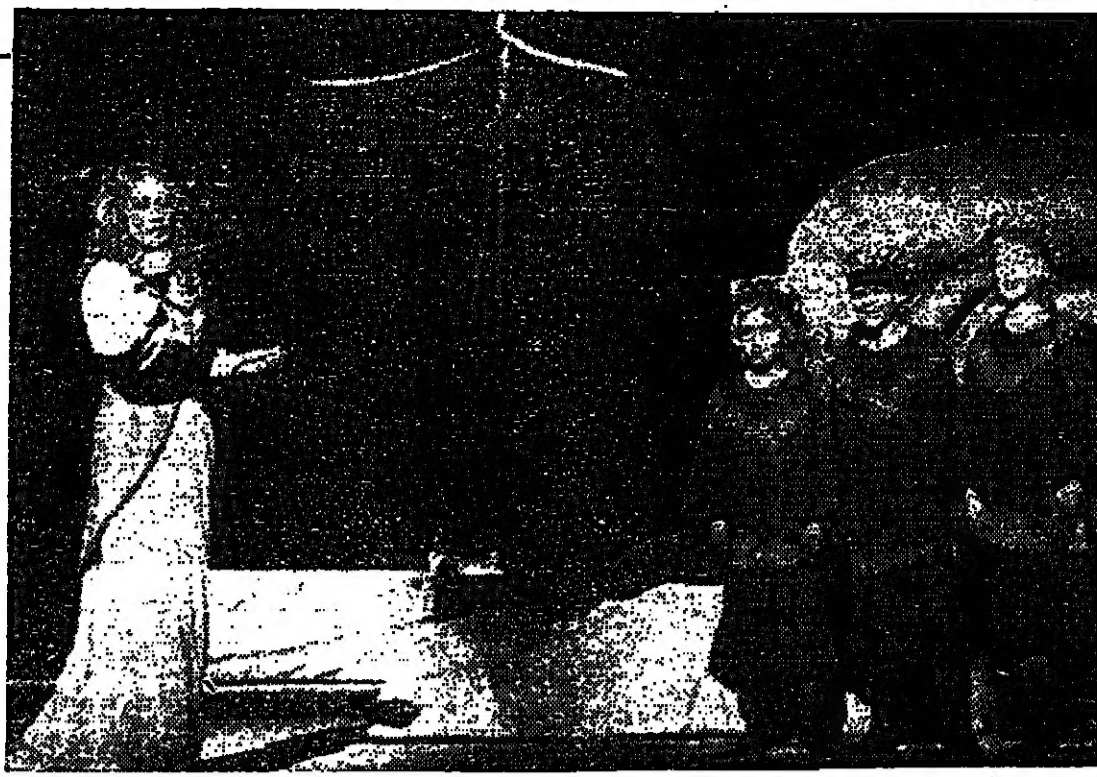
—and too little consideration to the basic business of getting people and objects on and off stage in sync with the music.

With the overture and the opening scenes, it seemed that the 82-year-old Karl Böhm would again produce the certified Mozartian miracle that takes place almost every time he steps into the pit these days. But many of his tempos were almost unbearably slow ("Ach, ich rühmte" was nowhere near an andante, although marvelously spun out by Kiri Te Kanawa), and as the evening progressed, the music developed a crippling stop-and-start quality not at all characteristic of the conductor.

Te Kanawa's Pamina was hardly less than perfect, with tone both melting and vibrant, phrased with elegance and feeling, and lovely to behold. Mariti Talvela's immense physique and velvety bass voice gave Sarastro both overwhelming presence and the impression of profound humanity, while Theo Adam—in a lavish bit of throwaway casting—delivered the Speaker's few lines in accents dense with significance.

Elsewhere in the large cast, Horst Leubenthal sang smoothly as the Queen of the Night's ladies. The queen herself, Edda Moser, had an under-par night, faring notably better with her second-act aria than with her first. The trio of boys from the Tölzer Knabenchor were a particular hit with the audience, although not a notably good match of voices among themselves.

Brauer's scenic elements often dealt well enough with the Vien-



IN PARIS—Kiri Te Kanawa as Pamina and trio of boys from the Tölzer Knabenchor.

nese magic theater of "The Magic Flute," as with his amiable dragon, which simply fell apart at a gesture from the Three Ladies, exposing a rich scarlet set of innards; and took full note of Masonic symbolism in the aprons of the priests. The opposition of

enlightenment and darkness was symbolized in a fantastic sun with tongues of flame that gradually moved over to eclipse the gnarled moon. But the three symbolic temple gates did not gain much in comprehensibility by appearing, with comic-strip

grotesquerie, as pairs of ears, eyes and lips.

A highly selective first-night audience singled out Kiri Te Kanawa for adulation and reserved the major share of abuse for Zankl and Brauer, who took it all with apparent nonchalance.

A Birthday Party for France's Lycée International

By Betty Freudenheim

SAINT-GERMAIN-EN-LAYE, France, May 16 (IHT).—The Lycée International gave a 25th-anniversary party Saturday and everybody came: 5,000 parents, teachers and students, René Haby, French minister of education, the West German, Dutch, British and Danish ambassadors, the U.S. Marines and 500 riot and army police.

The students and parents came for the food and games, the minister and ambassadors for the solemn awarding of medals to the lycée staff for distinctive service, the Marines to play baseball and the police to protect the minister of education.

Mr. Haby has instigated a series of controversial reforms for the French lycées which have evoked a strong response from teachers and students. Education is an emotional as well as political issue in this country, with its vivid memories of another May, nine years ago.

On this occasion, in spite of rumors of big demonstrations, only 60 young people sat down

on one of the roads leading to the lycée, waving their "Down With the Haby Reform" banners. Vandalism had painted this slogan on the school walls the night before but school officials were prepared for everything. By 6 a.m. all was covered over with a coat of fresh paint.

Native Costumes As the eight embassy limousines arrived by circuitous back routes to avoid difficult situations, they were met by nothing more formidable than smiling young girls in bright native costumes, the lycée principal and the grand chancellor of France (chief protocol officer), with his uniform decorated in ribbons and medals.

There is little doubt that in any other lycées in France such a festive occasion could have turned sour. The quality of the Lycée International saved the day.

"The only point of the Haby reform on which all the teachers' unions agree, even the Communists, is that which applies to international schools," said Ed-

gar Scherer, the principal. "In articles 33 and 34, he encourages the creation of new international schools where the French can learn other languages and foreigners can study in French as well as their native tongue. This should be of great interest to foreigners whether they be migrants, engineers, artists or businessmen."

Mr. Scherer does not consider this as competition for his school but rather a welcome opportunity to relieve the pressure for admissions here. "I have already turned away more than 450 applicants for next year, many of whom were highly qualified," he explained. It is very difficult for him to face mothers who come up to him and say, "Here is the handsome little boy you turned away last year."

He has no choice. The lycée classes are packed to the legal limit. One of the most elite schools of France, its students have won numerous prizes in both national and international exams. Only 50 per cent of the student body is French. The

CANNES FESTIVAL

Greek Film Leads Off Competition

By Thomas Quinn Curtiss

CANNES, May 16 (IHT).—The 30th Cannes Film Festival was opened in the Croisette Cinema Palace on Friday evening with Michel d'Ornano, minister of culture, delivering the inaugural address before an audience which included Senta Berger, Roberto Rossellini (president of the jury), Claude Lelouch, Roger Moore and Peter Ustinov.

The Cannes Festival has survived longer than any other; that of Venice, its only senior for many years, gave up the ghost due to political interference. It is Cannes, too, that draws the largest public. About 2,000 journalists and guests are estimated to be on hand this year. Ustinov is preparing a TV documentary on the festival's history.

On the opening night, the glittering audience outshone the occasion's main show: an out-of-competition projection of Dino Risi's latest, "La Stanza del Vesovo" (The Bishop's Chamber), which proved to be a second baking of the director's recent "Azzurra Persa" (Lost Soul), now on show in Paris.

Again, an unwary young man is invited to a spooky mansion to unravel the secrets of a peculiar

family in which blood-bust appears to be hereditary.

Ugo Tognazzi, alternating between low comedy and the sinister, impersonates a vulgar braggart who hates his wealthy wife. Patrick Dewaere is the bewildered guest and Ornella Muti, a beauty fresh to the screen, is ornamental as a young lady tainted by the murder impulse. This time Risi has failed to cast the spell of fascinating mystery and his scenario, though set in the Italian lake district of present times, suggests a third-rate Victorian horror serial.

The first entry on the competition program comes from Greece: "Iphigenia," Michael Cacoyannis's third screen adaptation of Euripides. In it he has faithfully retold the narrative of the play, but scarcely in classic form. Stripped of the rituals of the antique stage, denuded of its chorus and with its lengthy stanzas shortened, it recounts in realistic fashion Agamemnon's sacrifice of his daughter to stir the calm that holds his ships in the Bay of Aulis.

The 13-year-old Tatiana Papanikolaou leads the performers with a stirring portrayal of the doomed daughter, reluctant to die but courageous in her martyrdom.

Irene Pappas, a splendid actress, is Clytemnestra. Costa Gavras's Agamemnon is strongly characterized slightly by the comic glowering close-ups, to give them the aspect of heavy-lidded, Christ-wily Ulysses and Dir-crafty priest are pil-port as is Panos Mihalas handsome Achilles, tingly drawn into would rescue his pro-

From Canada come "The Photographer," which depicts the provincial housewife who, weary of stay-at-home life, goes off to work and seduces her employer's son. Her husband is an admirer of the American film "The Hustler" and she is drawn into a gambling den. Their journey to supply the action, this surface is a second that of the couple of one another. J'ai directed, often at the horse-drawn vehicle, rough roads, making leisurely, but his leisters have authentic and are admirably Monique Mercure's wife, ever ready shoulder to the wheel Sabourin as her

"La Communion" one of the three films France in the cinema in general a certain school of made in France. It depicts construction a pretense, though in matter, it is akin to "La Femme à la F" dull dude that re critical endorsement the public rejected, but it seems interm sketching of a fact from 1890 down to r. Its one bright presence of Marcel escaped provincial w the boulevardier in René Fret has (Serge Reggiani sings

The Soviet contri rank" (Orphans), middle-aged author on his wretched child the war years. His been killed in the and his other rela found. His loneliness for shelter and com fortitude in the face are movingly portr entire film is beat-

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- update the catalogue of the material facilities;
- define technical conditions of contracts;
- advise and assist the different subsidiaries;
- promote and take active part in the training of personnel.

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Treasury to Issue Floating-Rate Bonds

From Wire Dispatches

May 16.—The government today announced it will issue its first floating-rate bonds in the domestic market this month.

in Plans Law on Credit

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Glamours Recover, Set Pace for Rally in N.Y.

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Burns Says Rise Of Absenteeism in U.S. Worrisome

COLUMBIA, S.C., May 16 (AP).—Federal Reserve Chairman Arthur Burns said today he is worried that rising absenteeism among workers will cut into the nation's productivity.

FINANCIAL NEWS AND NOTES

Occidentale Bids for Cavenham

Generale Occidentale, the French holding company, is offering 185 pence per share for the 49 per cent of Cavenham Ltd. that it does not already own and 42 pence per share for half the outstanding common shares.

Banks to Write Off Ataka Debts

A group of 16 Japanese banks will probably have to write off about 190 billion yen (about \$885 million) in bad debts of Ataka & Co., the troubled trading house preparing to merge with O. Itoh & Co. Banking sources in Tokyo say Sumitomo Bank and Kyowa Bank Ltd. are expected to absorb about 80 per cent, with Sumitomo alone handling about 100 billion yen of Ataka's debts.

Italy Uses IMF Loan to Cow Opposition

ROME, May 16 (WP).—The International Monetary Fund has helped hold Italy's shaky conservative government together for the past nine months by refusing to give Italy a loan of 450 million special drawing rights (about \$22 million).

Prime Minister Giulio Andreotti has been able to use the IMF's reluctance to part with the comparatively small but symbolically important standby credit to argue at home that only his minority U.S.-backed Christian Democratic government could extract the loan from the IMF.

Mr. Andreotti has also been able to use the IMF's demands for economic changes here to warn the Communists and Socialist-dominated labor unions that international credit would be shut off and financial catastrophe lay ahead unless they slash their wage demands.

In fact, figures published this month by the Bank of Italy show the economy bounced back sharply in the past year and that U.S. and European banks were lending \$3 billion to Italian clients while the IMF was bawling over the \$22-million credit.

Although the IMF agreed in principle last month to provide the credit, the money will be divided into three payments spread over 18 months and can be halted if Italy does not carry out some painful austerity measures that will test the powers and intentions of the government and the unions.

"The function of the IMF loan really is to focus attention and public opinion on what has to be done," said Guido Carli, Governor of the Bank of Italy and now director of Confindustria, the Italian industrialists' organization.

"What is being talked about, and openly now, is the restricting of incomes in real terms, and that is always a difficult political matter."

government has failed to organize extension services, credit supervision and marketing mechanisms to go along with the credits handed out to farmers, some of whom have invested the loans in urban housing and other lucrative speculative investments.

The controversy over food supplies and agricultural incentives illustrates the main criticism that the opposition parties, led by the Copel (Social Christian) party and the Movement Toward Socialism (MAS), have directed against Mr. Perez's Democratic Action party administration.

The opposition argues that Mr. Perez has not been able to manage Venezuela's oil bonanza effectively and that the full-throttle development program he has undertaken is spending Venezuela into trouble.

Payments Balance Venezuela, following a policy of conserving oil reserves since 1974, has less income from oil exports now than two years ago, but imports have risen about 80 per cent in value, mainly as a result of higher food imports, since 1974.

probably be able to maintain its 10-per-cent dividend, sources say. The final decision on the writeoff will be announced at a shareholders meeting in December. Sumitomo is expected to be able to absorb the loss in part by utilizing unrealized profits on stocks and other securities estimated at around 400 billion yen.

McDermott Holds 8.7% of Babcock

J. Ray McDermott Co. has acquired 8.7 per cent of the stock of Babcock & Wilcox to gain "a significant minority interest" in the concern, but asserts it does not intend to seek control. However, McDermott warns that "the future attitude of Babcock & Wilcox's management toward McDermott would be one of the material factors in determining whether McDermott's present or future stock ownership may constitute 'control.'"

Company Reports

Revenue, Profits in Millions of Dollars			
	1977	1976	1975
Oscar Mayer			
Revenue	289.8	266.7	
Profits	8.84	8.24	
Per Share	0.46	0.44	
J.C. Penney			
Revenue	1,860.0	1,730.0	
Profits	29.9	29.9	
Per Share	0.46	0.47	
Sears, Roebuck			
Revenue	3,600.0	3,200.0	
Profits	154.1	85.1	
Per Share	0.97	0.54	

The greater problem is going to be keeping government expenditure within agreed limits," Mr. Carli said. "We have two deficits which are totally out of control, local administration and social security, which absorbs a major part of national income. If anything is done, the effect is going to be on the side of unemployment, which is already a serious problem."

The loan approval comes at a time when the economy has run out of breath after a strong finish to last year. Industrial production rose by 5.5 per cent, defying earlier international predictions of a negative growth rate and compensating for the 3-per-cent fall of 1975. The lira's 39-per-cent loss in foreign exchange value boosted exports and tourist income.

Italian foreign debt stands at a staggering \$18 billion. The IMF loan will free another half billion dollars due from the Common Market, which has also attached conditions to its loan.

"Italy probably won't need any other official borrowing this year, beyond a rescheduling of West Germany's loans," one economic diplomat said. "Andreotti's task now will be to keep the pressure up inside now that some of the reinforcing pressure from outside has been eased."

U.S. Output Up 0.8% in Latest Month

Inventories Up 0.9%. Sales Climb 3.4%

WASHINGTON, May 16 (Reuters).—Industrial production rose 0.8 per cent in April after rising 1.4 per cent in March, the Federal Reserve Board reported today.

The increase was the third consecutive monthly gain since January's 0.8-per-cent drop but was the smallest of those three increases.

The Fed said the index rose to 136.1 per cent of its 1967 average. The latest increase put the index 6 per cent above a year ago and more than 3 per cent above the pre-recession June 1974 high.

The latest gain came despite a decline in auto production, which had risen sharply in March.

In related news, inventories rose 0.9 per cent, or \$2.79 billion, in March to a seasonally adjusted \$306.78 billion following an increase of \$2.01 billion in February, the Commerce Department reported today.

Inventories at the manufacturing level increased to \$189.16 billion from \$188.45 billion. Durable goods inventories at the manufacturing stage increased to \$107.62 billion from \$107.22 billion.

The department also said final sales rose 3.4 per cent to \$214.65 billion in March from \$207.5 billion in February.

Inventories at the retail level increased to \$85.4 billion from \$85.38 billion—the biggest gain since October 1975—while whole-sale inventories rose to \$52.22 billion from \$51.68 billion.

The March inventory increase was the biggest since the 4-per-cent rise last December and follows a 0.7-per-cent increase in February.

For the first quarter, business inventories increased \$7.7 billion compared with \$2.5 billion in the previous quarter while business sales rose 5.3 per cent.

N.Y. Proposes to End Stock Transfer Tax

NEW YORK, May 16 (AP).—Fearing a large-scale exodus of the securities industry, New York City is proposing to phase out the impact of its stock transfer tax over four years beginning July 1, 1978.

Because the revenue from the tax is pledged to debt service on Municipal Assistance Corp. bonds, the tax would continue to be collected but the money paid would be returned as a tax credit or refund.

The tax is imposed on sales or transfers of stock made within the state. The tax rate, up to 6 1/4 cents a share, varies with the number and price of shares in the transaction. It is the only such tax in the country.

In general, the tax is paid by the seller of shares and collected at the time the transaction is cleared. The city expects the stock transfer tax to yield \$224 million in its fiscal year starting July 1.

In releasing the proposal over the weekend, officials asked the state to indemnify the city for one-half of the revenue that would be lost each year. Otherwise, they said, the city could not afford to cut the stock transfer tax in half. The city is proposing to phase out the tax over four years at the rate of 25 per cent a year.

Ending the tax requires state legislation. City employment in the securities industry has dropped to 67,700 from 105,300 in 1969 when the tax was implemented and is expected to fall to about 46,300 by 1983 if the tax effect is not removed, city officials said.

Glamours Recover, Set Pace for Rally in N.Y.

NEW YORK, May 16 (Reuters).—Strength in leading glamour stocks helped lift prices higher in active trading on the New York Stock Exchange today.

Institutional liquidation of glamour stocks such as Kodak and International Business Machines has weighed heavily on the Dow Jones industrial index recently and many of these stocks are again beginning to attract buyers, analysts said.

The Dow, up 6.96 at 3 p.m., ended ahead 4.16 at 932.50.

Burns Says Rise Of Absenteeism in U.S. Worrisome

COLUMBIA, S.C., May 16 (AP).—Federal Reserve Chairman Arthur Burns said today he is worried that rising absenteeism among workers will cut into the nation's productivity.

"The number of people who simply do not show up for work on any given day, especially before and after weekends, has been rising in recent years and has assumed worrisome proportions," he said.

Mr. Burns told the University of South Carolina graduating class that in a typical week last year almost five million workers stayed home from work "for a day or more, either because of reported illness or for other personal reasons."

He added that "the absenteeism involves the loss of more than 100 million hours of working time per week, giving rise . . . to a great deal of unnecessary cost and inefficiency."

"There is evidence absenteeism has risen faster in recent years than the number of employed individuals and this suggests that decided changes have been under way in our country in the basic work attitudes of employees," he said.

Volume totaled 21.17 million shares, up from 19.78 million Friday.

Late in the session, it was reported that customer debt to NYSE members increased \$190 million last month to a record and the number of margin accounts also rose to a record. Analysts said the report raised the question of possible Federal Reserve action to hold down margin. Prior to the report, profit-taking had already appeared.

Bucking the trend was Franklin Mint, the day's most actively traded issue, which fell 2 3/4 to 15 1/2 after the company announced it does not expect second-quarter earnings to match those of the year-ago period. Another loser was Amstar, down 1 1/4 at 21 1/2.

Kodak advanced 1 5/8 to 59 7/8 while IBM, which was higher most of the day, closed unchanged at 233 1/4.

Burroughs rose 1 3/8 to 57 1/8. Texas Instruments jumped 2 1/4 to 86 1/2. Data General added 1 3/8 to 39 3/4. General Dynamics rose 1 to 55 1/4. Zenith 1 7/8 to 23 3/4 and Superior Oil, which reported higher first-quarter earnings, gained 2 1/2 to 190.

Sears gained 5/8 to 58 2/8 after reporting higher first-quarter net while Penney declined 1/2 to 35 1/4.

Prices on the American Stock Exchange closed higher and the index advanced 0.44 to 114.48, a new high.

McCulloch Oil rose 1 1/2 to 4 3/8 and Houston Oil 2 1/8 to 55.

In Chicago, the expiring May soybean delivery advanced 27 1/2 cents a bushel, but new crop months were as much as 10 cents a bushel under previous closes.

The wide spread was attributed to a belief that old crop soybeans may be in short supply soon but that the new crop will be adequate and possibly lower priced.

Petrodollar Indigestion Afflicts Venezuela

By Juan de Onis

CARACAS, May 16 (NYT).—Venezuela is suffering from petrodollar indigestion, with prices and consumer expectations rising faster than production of goods and services.

The growth in demand, particularly for foods and construction materials, has more than doubled in the last three years while the major export, oil, has been poured into sustaining a full-employment economy with generous consumer subsidies.

With oil production averaging 2.3 million barrels a day, the government's fiscal income was a little over \$10 billion last year. With domestic and foreign borrowing, public spending this year is expected to rise to more than \$12 billion.

The domestic capacity to produce and distribute the goods that Venezuela's 13 million people consume, at this level of spending, has not kept pace with demand, leading to serious shortages, speculation and inflationary pressures.

Shortages of rice, beef and milk throughout the country have alarmed housewives and brought protests from merchants who have said that wholesale dealers were profiteering.

Import Duties Lifted President Carlos Andres Perez responded by authorizing the waiving of duties on imports of all essential foods that are in short supply.

This triggered outraged protests from farmers and ranchers who said that free imports would destroy Venezuelan agriculture, making the country chronically dependent on imported food.

Mr. Perez replied that his government had given agriculture more credits and producer price supports than any previous administration, outlays totaling more than \$1 billion since 1975, and he blamed floods and other natural calamities for the failure of production to increase as much as demands argue, however, that the

other countries, particularly neighboring Colombia.

The cost of living in this capital rose 8 per cent last year, about the same as in 1975, according to official figures. These are questioned, however, by the opposition parties, which say that the indexes do not reflect the full price range for consumer goods.

The demand of local farmers for higher prices and the higher food costs abroad are expected to put pressure on living costs, despite consumer subsidies. This could generate strong pressure from Venezuela's well-organized unions for wage increases.

Mr. Perez appears determined, however, to maintain the intensive development program he began in 1975, particularly in the heavy industrial sectors of steel, aluminum and petrochemicals, while putting billions into social investments.

Financial analysts do not see a balance-of-payments problem this year because oil exports still leave a wide margin for imports and payment of services and debts. But there is growing concern over the absence of financial discipline in the national budget, which was 27 per cent higher last year than the initial figure approved by Congress of \$8.5 billion.

Increasing public spending without previously estimating the demand that this will generate, and the imports that will be necessary if domestic production does not expand enough, leads to price increases that cannot be controlled without police measures," said Luis Enrique Oberto, a former minister of finance, writing in the newspaper El Universal.

Inflation in Venezuela during the current boom, which increased the production of goods and services 9 per cent last year, mainly in construction, has been kept under control by consumer subsidies and imports of food from

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3%	Parham	14	54	54	54				
2%	Parham	14	54	54	54				
1%	Parham	14	54	54	54				
0%	Parham	14	54	54	54				
43%	Parham	14	54	54	54				
42%	Parham	14	54	54	54				
41%	Parham	14	54	54	54				
40%	Parham	14	54	54	54				
39%	Parham	14	54	54	54				
38%	Parham	14	54	54	54				
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34%	Parham	14	54	54	54				
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32%	Parham	14	54	54	54				
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24%	Parham	14	54	54	54				
23%	Parham	14	54	54	54				
22%	Parham	14	54	54	54				
21%	Parham	14	54	54	54				
20%	Parham	14	54	54	54				
19%	Parham	14							

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23 1/4	3 1/4	KaiserSt	.50	3	29	32 1/4
22	3 1/4	KaiserSt wd			84	31 1/2
10 1/4	8 1/4	KaneMil	.28	6	29	10 1/8
18 1/2	17	Kaneb n		14	197	19
20 1/4	20 1/4	KChB1	2.46	8	18	20 1/2

23%	27%	KCSoin	1.20	12	3	36%
23%	19%	KanGEI	1.76	8	35	21%
24%	20	KanNB	1.48	8	305	24
22%	19%	KanPLt	1.70	7	134	21%
9%	6%	KatyInd		4	71	7
9%	6%	KatyInd		4	71	7
9%	6%	Katy. of	1.46		39	20%

94%	10%	KouBr	.06	12	391	21%
20%	15%	Kaweck	.10	16	55	21%
51%	9%	Keene	.30	7	37	21%
14%	9%	Keller	.20	10	12	13%
22%	23%	Kellios	1.10	15	40	25%
15%	13%	Kelsh	.32	5	7	23%
30	23%	Kennith	.62	18	8	23%
30%	12%	Kennith	.60	56	237	26%
24%	12	KYUHI	1.95	9	42	24%
16%	12%	Kerr-Gis	.40	4	50	14
74%	50%	Kerr-Mc	1.25	13	154	47%
21%	16%	KeystCon	1	9	6	16%
20%	22%	Klaidew	1.20	4	104	25%
58%	14%	Klode	pfc	2	7	47%
45%	46%	Klirac	2.20	2	45	47%
11%	11%	Klirac	.60	7	53	12%

201 ¹ / ₂	132 ¹ / ₂	Kirsch	.90	14	12	16 ¹ / ₂
383 ¹ / ₂	307 ¹ / ₂	Knierrd	.72	11	19	33 ¹ / ₂

47%	43%	Kraft	2.32	9	76	47
40%	27%	Kresges	.56	14	x128	29%
27%	23%	Kroger	1.44	7	37	26%

[illegible]

39%	27	Lignosp	2.50		22	37%
34%	36%	WilyEl	1.42	13	215	37%
38	31%	LincNat	1.80	9	246	38%
76	65	LincNtp	3		4	76
19%	18%	LincPI	1.72a		16	100%
3%	2%	Lionei		8	49	3
15%	12%	Lifton	1.81	17	86	13
27%	17%	Litt ptc	pf		3	18
21%	20%	Lifton	pf	2	3	21%
12%	8%	Lacknd		4	489	12%
19%	16%	Lackite		16	12	21
20%	10%	Lackite	1.90	4	2	19%

37%	81%	Loma	1.50	8	24	32%
11%	8½%	LomaFin	.50	8	68	95%
16½%	14	LomaA	.91	9	149	16½%
23%	19%	LomaStar	1.30	9	135	21%

1974	125%	LIL	ptN	13	z300	129%	1
28	24%	LIL	ptO	2.47	1	37%	

33 1/2	23 7/8	LongDr	1.56	16	14	25%	:
17 1/4	15 1/2	LoraICp	.60	8	x132	16%	:
21 1/2	25 1/2	Lal and	1.20	10	180	26%	:

187 1/2	14 1/4	LaPacif	1.40	9	116	15 1/2
27 1/2	24 1/2	LouisGz	1.92	9	9	26 1/2
25 1/2	13 1/4	Loumont	.60	14	14	12 1/2

37 1/2	27 1/2	Lubrizol	1.30	12	255	30 1/2
16 1/2	13 1/2	LuckyS	.68	12	89	15 1/2
8 1/2	7 1/2	LuckyS	.40	10	12	8 1/2

34	25%	Lukens	1.60	9	19	30%	3
14	9%	Lykes	.20j		91	10%	2

9 64% LynCSys .30 10 13 7%

134 18 MBPX 402 5 3 112

42%	38%	MCA	10	9	1230	37%
5%	4	MEI		5	101	42%
21%	13%	MAGIC	20	12	289	15%

13 1/2%	7%	MacAF	.60b	23	85	13 1/4%
6 1/2%	4 1/2%	MacDon	.10e	5	121	6 1/2%
6 1/2%	5%	MacKe	.36	6	20	6 7/8%

10 1/2	8 1/2	Macmill	.50	7	76	94 1/2
37	31 1/2	Macy	1.30	7	114	33 1/2
55	51	Macy's	4.25		270	54 1/2

13 1/4	1 1/4	MadsFd	.77e	59	12 1/4
11 3/4	9	MagicCt	.40	35	10 1/4
42 1/4	33	Mallory	-1.20	15	37

25 1/2	22	MalonH	.68	10	12	23
9 1/2	7 3/4	Manbin	.20b	4	5	8 1/2
4 3/4	2 1/2	Mirlan	1.92	7	79	175 1/2

475	40%	MAPCO	1.10	14	41	6
783	12	Marathon	.50	5	77	18 1/2

20	15%	MarMid	.60	6	22	171/4
124	10	MarMid	.80	22	62	121/4
157	10%	MarMid	.64	10	14	121/4

154	124	Marley	1.20	8	71	58
74	94	Marriot	.25	71	31	97

(Continued on next page)

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...and the fact that the *Journal* is a journal of the American Psychological Association, which is a professional organization of psychologists, is a factor that should be considered in evaluating the *Journal*'s credibility.

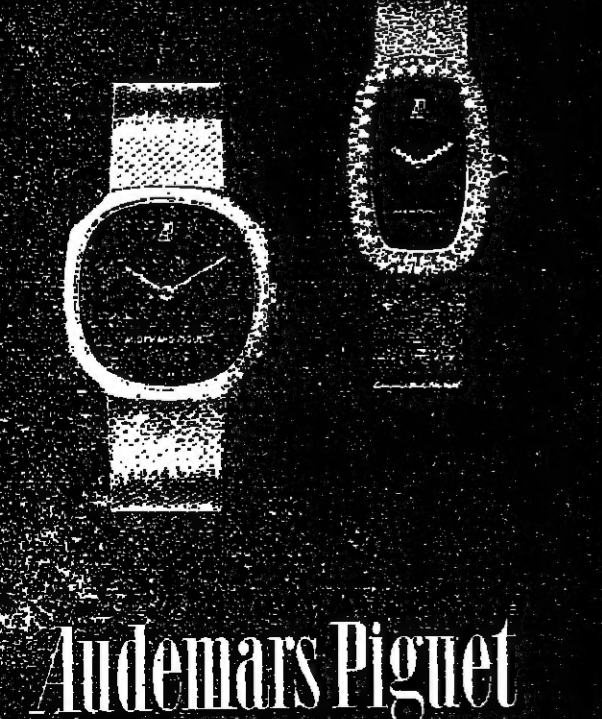
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...the fact that the *in vitro* and *in vivo* results are in good agreement, and that the *in vivo* results are in good agreement with the *in vitro* results.



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هكذا عن الأصل

NYSE Nationwide Trading (3 O'clock) May 16

[illegible][illegible][illegible]

1977 -	Stocks and	S&P	3 m. Price
High. Low.	Div. Yr	P/E 100s	High Low Quot. Close
92	44 Salsind	5.0	17 26 24 2540 +
90	44 Salsind	2.0	11 7 5 53 +
88	44 Salsind	2.0	11 7 5 47 +
86	36 Salsind	1.30	13 25 26 39 +
84	36 Salsind	1.30	13 25 26 39 +
82	36 Salsind	1.30	13 25 26 39 +
80	36 Salsind	1.30	13 25 26 39 +
78	36 Salsind	1.30	13 25 26 39 +
76	36 Salsind	1.30	13 25 26 39 +
74	36 Salsind	1.30	13 25 26 39 +
72	36 Salsind	1.30	13 25 26 39 +
70	36 Salsind	1.30	13 25 26 39 +
68	36 Salsind	1.30	13 25 26 39 +
66	36 Salsind	1.30	13 25 26 39 +
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0	36 Salsind	1.30	13 25 26 39 +
90	44 Salsind	2.0	11 7 5 47 +
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18	44 Salsind	2.0	11 7 5 47 +
16	44 Salsind	2.0	11 7 5 47 +
14	44 Salsind	2.0	11 7 5 47

Toronto Stocks

[illegible]

Eurocurrency Interest Rates

[illegible]

Brussels

[illegible]

glo-Am cp	2.54
glo-Am	28.25
rclay Bk	2.63

echam G	2.90	Suter	264.88
Ch	1.15	Thurnen	439
W	1.20	Thoman	145.90
Water	1.89	Ulm	25
-Am Tob	2.87		
Day	0.82		
Ch	0.82		
ermah	0.23	Aulmisse	1.570
zburge	0.42	Buerli	2.665
artored	1.29	B. Boveri	1.473
artauds	2.77	Ch. Geigy	4.480
Wider D	2.77	Cr. Sulze	2.130
z Bur	3.35	Fischer	1.785
z Rac	1.35	Hof Ruten	2.800
Hilms	1.25	Ch. Geigy	2.800
Wider D	1.25	Sandor	4.875
And	1.25	S. B. Sulze	2.365
Ch	1.64	Silber	4.75
Pres G	1.50	U. Sulze	2.940
Geist	1.50		
Wider D	5.13	Exclivind.	

*Quotes in dollars do not include London dollar premium.

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**TENDER OFFICE
PAKISTAN
AND POWER DEVELOPMENT AUTHORITY**

istan War and Power Development Authority has entered into agreement with the International Bank for Reconstruction and Development (IBRD) under which it is to receive a loan, IBRD Loan 3-T-Pak, in various currencies equivalent to U.S. \$50 million the cost of the 500 kV Lyallpur - Gadda Transmission Line

his loan the following tenders will be issued for the 500 kV
sion Line Project on or about the dates shown. The Tenderer
obtain confirmation of dates one week before the dates
l, from the office mentioned under item 3.

Description	Date of Issue
documents 941-8 uction Equipment.	April 15, 1977
documents 941-3 AKE" Conductor & & Overhead Shield ssories	May 2, 1977
documents 941-9 shieldwire.	May 2, 1977
documents 941-2 & Hardware.	June 1, 1977
documents 941-5 ply, Erection & ing at 220 kV Section 500/220 kV Substation.	June 30, 1977

will be obtained from the office of:

Director,
Guddu 500 kV,
Transmission Line Project,
Power Development Authority,
House, Lahore, Pakistan,
00 or U.S. \$50 per copy.

guarantee of the value of 5% of Tender Price shall accompany Tender.

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